



## **Economic Impact Analysis Virginia Department of Planning and Budget**

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**23 VAC 10-130 – Partnership Tax Regulations**  
**Department of Taxation**  
September 15, 2006

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### **Summary of the Proposed Amendments to Regulation**

The Department of Taxation (department) proposes to repeal numerous sections of these regulations.

### **Result of Analysis**

The benefits likely exceed the costs for all proposed changes.

### **Estimated Economic Impact**

The department proposes to repeal Sections 10 through 50 of these regulations. These sections have been rendered obsolete by the House Bill 5018 passed during the 2004 General Assembly Special Session. When there is a difference between the Code of Virginia and regulations, the Code of Virginia applies. Thus, the repeal will be beneficial since the current obsolete information in the regulations is misleading.

### **Businesses and Entities Affected**

The proposed repeal of these regulations will not significantly affect businesses and entities.

### **Localities Particularly Affected**

No localities are particularly affected.

### **Projected Impact on Employment**

The proposed repeal of these regulations will not affect employment.

## **Effects on the Use and Value of Private Property**

The proposed repeal of these regulations will not significantly affect the use and value of private property.

## **Small Businesses: Costs and Other Effects**

The proposed repeal of these regulations will not significantly affect small businesses.

## **Small Businesses: Alternative Method that Minimizes Adverse Impact**

The proposed repeal of these regulations will not significantly affect small businesses.

## **Legal Mandate**

The Department of Planning and Budget (DPB) has analyzed the economic impact of this proposed regulation in accordance with Section 2.2-4007.H of the Administrative Process Act and Executive Order Number 21 (02). Section 2.2-4007.H requires that such economic impact analyses include, but need not be limited to, the projected number of businesses or other entities to whom the regulation would apply, the identity of any localities and types of businesses or other entities particularly affected, the projected number of persons and employment positions to be affected, the projected costs to affected businesses or entities to implement or comply with the regulation, and the impact on the use and value of private property. Further, if the proposed regulation has adverse effect on small businesses, Section 2.2-4007.H requires that such economic impact analyses include (i) an identification and estimate of the number of small businesses subject to the regulation; (ii) the projected reporting, recordkeeping, and other administrative costs required for small businesses to comply with the regulation, including the type of professional skills necessary for preparing required reports and other documents; (iii) a statement of the probable effect of the regulation on affected small businesses; and (iv) a description of any less intrusive or less costly alternative methods of achieving the purpose of the regulation. The analysis presented above represents DPB's best estimate of these economic impacts.